

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS

GLORIA MOLINA
MARK RIDLEY-THOMAS
ZEV YAROSLAVSKY
DON KNABE
MICHAEL D. ANTONOVICH

DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601

Fax: (213) 386-1297

January 26, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZATION TO AMEND THE SOLE SOURCE AGREEMENT WITH
EXODUS RECOVERY, INC., FOR THE PROVISION OF
URGENT CARE SERVICES NEAR
LAC+USC MEDICAL CENTER
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to amend the Department of Mental Health's Legal Entity Agreement with Exodus Recovery, Inc., to implement an Urgent Care Center near the Los Angeles County+University of Southern California Medical Center.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Mental Health, or his designee, to prepare, sign, and execute sole source Amendment No. 3, substantially similar to Attachment I, to the existing Department of Mental Health (DMH) Legal Entity (LE) Agreement No. MH120447 with Exodus Recovery, Inc. (Exodus), to implement an Urgent Care Center (UCC) at 1920 Marengo Street, Los Angeles, CA 90033, in the amount of \$1,966,163 for Fiscal Year (FY) 2009-10 and \$3,526,742 for FYs 2010-11 and 2011-12, with revised Maximum Contract Amounts (MCA) of \$10,757,963, \$12,318,542, and \$12,318,542 for FYs 2009-10, 2010-11, and 2011-12, respectively, fully funded with State and federal revenues.

2. Delegate authority to the Director of Mental Health, or his designee, to prepare, sign, and execute future amendments to the LE Agreement with Exodus and establish as a new MCA the aggregate of the original Agreement and all amendments through and including this Amendment, provided that: 1) the County's total payments to Exodus for each fiscal year do not exceed an increase of 20 percent from the applicable revised Board-approved MCA; 2) any such increase is used to provide additional services or to reflect program changes; 3) your Board has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Executive Officer (CEO), or their designees, is obtained prior to any such amendment; 5) County and Exodus may, by written Amendment, reduce programs or services without reference to the 20 percent limitation and revise the applicable MCA; and 6) the Director of Mental Health notifies your Board of Agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will enable DMH to contract with Exodus to provide UCC services availability 24 hours per day, 7 days per week (24/7) at 1920 Marengo Street, Los Angeles, CA 90033, directly across from Los Angeles County+University of Southern California (LAC+USC) Medical Center. Exodus is uniquely qualified to provide UCC services as it has a wide range of experience in providing mental health services, including UCC services, in Los Angeles County. The Exodus UCC near LAC+USC Medical Center will provide intensive outpatient mental health services, be Lanterman-Petris-Short (LPS) designated, and have the capacity to serve individuals on involuntary holds that otherwise would be taken to emergency rooms. It is imperative that these services be provided to relieve the overcrowding at the LAC+USC Medical Center's Psychiatric Emergency Services (PES).

Implementation of Strategic Plan Goals

The recommended actions are consistent with the County's Strategic Plan Goal 4, Health and Mental Health.

FISCAL IMPACT/FINANCING

In FY 2009-10, the total cost of this action will be \$1,966,163, which includes \$496,687 of one-time costs, funded by \$1,395,563 of Mental Health Services Act (MHSA) State revenue for Non-Medi-Cal/Indigent services and \$570,600 of State and federal revenues for Medi-Cal services. The one-time costs include reimbursement of a security deposit of \$44,608 that the provider incurred to secure the program site prior to Board approval. The revised MCA for FY 2009-10 will be \$10,757,963. In FYs 2010-11 and 2011-12 the costs will be \$3,526,742, consisting of \$2,157,303 in MHSA State revenue for Non-Medi-Cal/Indigent services and \$1,369,439 of State and federal revenues for Medi-Cal services. The revised annualized MCA for FYs 2010-11 and 2011-12 will be \$12,318,542 and \$12,318,542, respectively.

The cost of the requested actions is fully funded by State and federal revenues and is included in DMH's FY 2009-10 Final Adopted Budget.

There is no increase in net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In November 2007, your Board approved a contract for University of Southern California Care Medical Group, Inc. (USC Care) at LAC+USC Medical Center to operate a UCC to relieve the overcrowding in the PES and the related increased demand for inpatient psychiatric services. USC Care terminated its contract to provide these services effective March 19, 2009. DMH and the Department of Health Services in conjunction with the CEO have been collaborating to plan and implement a new UCC near LAC+USC.

In December 2006, Exodus implemented the Westside UCC in Culver City, which is LPS designated and operates 24/7, providing psychiatric evaluation and medication prescription, crisis intervention and stabilization for up to 23 hours, assessment for co-occurring substance abuse disorders and linkage to community services in Service Area 5. Thus, Exodus has a ready foundation to implement the UCC near LAC+USC.

In addition, effective August 4, 2009, DMH expanded services to include an additional 12 staff at Gateways Percy Village, in close proximity to LAC+USC Medical Center, to provide dedicated residential capacity with intensive mental health services that will meet the needs of the new UCC and reduce overcrowding of the LAC+USC Medical Center's PES.

Under the proposed Amendment, DMH would reimburse Exodus for MHSA allowable one-time costs associated with starting a new MHSA program in FY 2009-10 only. These costs may include, but are not limited to, tenant improvements, equipment, staff recruitment and training, and reimbursement of a security deposit of \$44,608 that the provider incurred to secure the program site prior to Board approval.

The proposed Amendment permits Exodus to request and receive Cash Flow Advance (CFA) funds in an amount up to \$300,000 per month for each of the first three months of operation in April, May and June 2010. To the extent that Exodus also receives CFA funds under any previously approved Amendment for the transition to the Short-Doyle/Medi-Cal Phase II claiming system, this amount would be included within such previous Amendment and this action would not result in any additional CFA in April and May of 2010.

The attached Amendment has been approved as to form by County Counsel. The CEO has reviewed the proposed actions.

The required Sole Source Contract Checklist, identifying and justifying the need for a sole source contract Amendment, has been approved by the CEO (Attachment II).

CONTRACTING PROCESS

DMH is requesting approval of a sole source contract Amendment with Exodus, which is uniquely qualified to provide these services.

There are only two mental health providers in the Los Angeles area with proven experience

providing UCC services on a 24/7 basis and with LPS designation; they are Telecare Corporation and Exodus.

When USC Care terminated its contract to provide UCC services at LAC+USC Medical Center, and in recognition that the successful implementation of a UCC in proximity to LAC+USC is essential to relieve the overcrowding in the PES and the related increasing demand for inpatient psychiatric services, DMH planned to enter into a competitive negotiation process with Telecare Corporation and Exodus to expedite selection of a contractor capable of providing UCC services. However, on March 31, 2009, Telecare Corporation notified DMH of its decision to withdraw from consideration as a potential provider of these services.

On April 27, 2009, in compliance with your Board's contracting policy requirements for sole source contracts, DMH notified your Board of its intent to enter into sole source contract negotiations with Exodus for the development of a UCC near LAC+USC. After two weeks, DMH entered into contract negotiations with Exodus for the development of a UCC near LAC+USC.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these actions will permit Exodus Recovery Inc. to implement the needed UCC services for LAC+USC Medical Center, thereby relieving overcrowding at its PES. The UCC will provide an alternative for area patients seeking psychiatric crisis services, psychotropic medication and other outpatient mental health services.

UCCs are designed to provide the availability of 24/7 recovery-oriented outpatient psychiatric services for individuals in crisis who do not require hospitalization if stabilized with intensive outpatient services. These individuals include repetitive and frequent users of emergency and inpatient services, people with co-occurring substance abuse disorders, those needing medication management, and individuals who have problems that can be met with short-term intensive crisis intervention and linkage to community-based resources.

The Honorable Board of Supervisors

1/26/2010

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mg Southard", written in a cursive style.

MARVIN J. SOUTHARD, D.S.W.

Director

MJS:MM:RK:RC

Enclosures

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors
Chairperson, Mental Health Commission

ATTACHMENT I

CONTRACT NO. MH120447

AMENDMENT NO. 3

THIS AMENDMENT is made and entered into this ____ day of _____, 2009, by and between the COUNTY OF LOS ANGELES (hereafter "County") and Exodus Recovery, Inc. (hereafter "Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated June 9, 2009, identified as County Agreement No. MH120447, and any subsequent amendments (hereafter collectively "Agreement"); and

WHEREAS, for Fiscal Years (FYs) 2009-10, 2010-11, and 2011-12, County and Contractor intend to amend Agreement described hereunder; and

WHEREAS, for FYs 2009-10, 2010-11, and 2011-12, County and Contractor intend to amend Agreement to implement an Urgent Care Center near the Los Angeles County, University of Southern California (LAC+USC) Medical Center located at 1920 Marengo Street, 1st floor, Los Angeles, CA, 90033 funded by the California Mental Health Services Act (MHSA) Community Services and Support (CSS) Plan; and

WHEREAS, for FYs 2009-10, 2010-11, and 2011-12, County and Contractor intend to amend Agreement to **add** a new service delivery site located at **1920 Marengo Street, 1st Floor, Los Angeles, CA 90033**, under a new Provider No. **TBA**; and

WHEREAS, for FY 2009-10 only, County and Contractor intend to amend Agreement to **increase** MHSA Non-Medi-Cal/Indigent Urgent Care Center funds by **\$1,395,563**, and **increase** MHSA Medi-Cal Urgent Care Centers fund by **\$570,600**; and

WHEREAS, for FYs 2010-11 and 2011-12, County and Contractor intend to amend Agreement to **increase** MHSA Non-Medi-Cal/Indigent Urgent Care Center funds by **\$2,157,303**, and **increase** MHSA Medi-Cal Urgent Care Centers fund by **\$1,369,439**; and

WHEREAS, for FY 2009-10 only, the total cost of this action is **\$1,966,163**, including **\$496,687** of one-time costs, funded by **\$1,395,563** of MHSA State revenue for Non-Medi-Cal/Indigent services and **\$570,600** of State and Federal revenues for Medi-Cal services.

WHEREAS, for FYs 2010-11 and 2011-12 costs will be **\$3,526,742** consisting of **\$2,157,303** in MHSA State revenue for Non-Medi-Cal/Indigent services and **\$1,369,439** of State and Federal revenues for Medi-Cal Services.

WHEREAS, for FYs 2009-10, 2010-11, and 2011-12, the Maximum Contract Amount (MCA) will increase by a total of **\$1,966,163**, **\$3,526,742**, **\$3,526,742**, respectively, and the revised new MCAs will be **\$10,757,963**, **\$12,318,542**, and **\$12,318,542**, respectively; and

NOW, THEREFORE, County and Contractor agree that Agreement shall be amended only as follows:

1. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment III, Paragraphs N (**CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED**), subparagraph 2 shall be deleted in its entirety and the following substituted therefore:

“(2) For each month of each period of this Agreement, County will reimburse Contractor based upon Contractor’s submitted claims for rendered

services/activities subject to claim edits, and future settlement and audit processes. However, for each month of the first three (3) or five (5) months, of the Initial Term, the First Automatic Renewal Period, or the Second Automatic Renewal Period, Contractor may request in writing from County a monthly County General Fund Cash Flow Advance as herein described.

(a) In addition to the above, for Fiscal Year 2009-10 only, Contractor may request in writing from County a County General Fund Cash Flow Advance, as herein described, for up to four additional months beginning in February 2010 and ending no later than May 2010 if, due the transition of the SDMH Medi-Cal claiming system, Contractor is unable to submit claims for payment to the County as described in Section F (3) of this Financial Exhibit A (Financial Provisions).

(i) Written requests for additional Cash Flow Advances provided for under this Paragraph (2)(a) must be accompanied by written verification, based on the Contractor's internal records, of the level of services performed in the prior month WHICH were unable to be entered into the County's claim processing system. Such verification shall be in a form, and containing the data, specified by the County. Requests for Cash Flow Advances that do not include this additional written verification will be denied.

(ii) Additional Cash Flow Advances authorized under this Paragraph (2)(a) shall be provided at the sole discretion of County and will only be authorized to the extent that County determines that the transition of the SDMH Medi-Cal claiming system is responsible for the inability of the Contractor to submit claims as otherwise required by this Agreement."

(b) In addition to the above, for Fiscal Year 2009-10 only, Contractor may request in writing from County a County General Fund Cash Flow Advance, as herein described, in the months of April, May, and June 2010 for that portion of the contract related to services at the LAC+USC Urgent Care Center, provided that the Contractor is not receiving a County General Fund Cash Flow Advance under Paragraph 2(a) for the same month.

2. Financial Exhibit A (FINANCIAL PROVISIONS), Attachment III, Paragraph N (CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED), subparagraph (8) (BUSINESS RULES FOR THE DETERMINATION OF THE MAXIMUM AMOUNT OF THE CASH FLOW ADVANCE REQUEST) shall be amended to include the following after the existing (a), (b) and (c):

"(8) Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request:

(d) For each of the additional months in Fiscal Year 2009-10 for which Contractor may request in writing from County a monthly County General Fund Cash Flow Advance under Paragraph (2)(b) of this Financial Exhibit A (FINANCIAL PROVISIONS), Attachment III, Paragraph N (Cash Flow Advance in Expectation of Services/Activities to be Rendered), Contractor shall specify in its request the amount of the monthly CFA it is requesting, not to exceed three hundred thousand dollars and no cents (\$300,000.00) per month.

3. Financial Summary for - 1 FY 2009-10, shall be deleted in its entirety and replaced with Financial Summary - 3 for FY 2009-10, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - 1 for FY 2009-10, shall be deemed amended to state "Financial Summary - 3 FY 2009-10."
4. Financial Summary for - 1 FY 2010-11, shall be deleted in its entirety and replaced with Financial Summary - 3 for FY 2010-11, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - 1 for FY 2010-11, shall be deemed amended to state "Financial Summary - 3 FY 2010-11."
5. Financial Summary for - 1 FY 2011-12, shall be deleted in its entirety and replaced with Financial Summary - 3 for FY 2011-12, attached hereto and incorporated herein by reference. All references in Agreement to Financial Summary - 1 for FY 2011-12, shall be deemed amended to state "Financial Summary - 3 FY 2011-12."
6. The Service Delivery Site Exhibit - 2, Attachment IV, shall be deleted in its entirety and replaced with the revised Service Delivery Site Exhibit - 3, Attachment IV. All references in Agreement to Service Delivery Site Exhibit - 2, Attachment IV, shall be deemed amended to state "Service Delivery Site Exhibit - 3, Attachment IV."
7. Service Exhibits listing, Attachment V, shall be deleted in its entirety and replaced with the revised Service Exhibits - 3 listing, Attachment V. All

references in Agreement to Service Exhibits listing, Attachment V, shall be deemed amended to state "Service Exhibits - 3 listing, Attachment V."

8. A new Statement of Work shall be added to Agreement for the Urgent Care Center located near LAC+USC.
9. Contractor shall provide services in accordance with the Contractor's FY 2009-10 Negotiation Package for this Agreement and any addenda thereto approved in writing by Director.
10. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

Exodus Recovery, Inc.
CONTRACTOR

By _____

Name Luana Murphy

Title Chief Executive Officer
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

AAW:MHSU Urgent Care Center Am#3 - 2009-10

Financial Summary

Contractor Name: Exodus Recovery, Inc.
 Legal Entity Number: 00527
 Agreement Period: July 1, 2009 through June 30, 2012
 Fiscal Year: 2009-10

DMH Legal Entity Agreement
 Attachment III
 The Financial Summary - 3
 Amendment Number -3

	Funded Program	Max. Program Amount — Non-Medi-Cal/ Indigent	Max. Program Amount — Medi-Cal/ Healthy Families	Combined Max. Program Amount
1	Family Preservation Program			\$ -
2	Child Abuse Prevention Intervention and Treatment (AB2994)			\$ -
3	Special Education Pupil (SEP)			\$ -
4	Specialized Foster Care			\$ -
5	Comprehensive SOC Prog (SAMHSA, CFDA #93.958)			\$ -
6	Child MH Initiative-Project ABC (SAMHSA, CFDA #93.104)			\$ -
7	Juvenile Justice Program (STOP)			\$ -
8	Juvenile Justice Program (JJCPA)			\$ -
9	Co-occurring Disorder			\$ -
10	Path McKinney, CFDA #93.150			\$ -
11	Homeless Services (NCC)			\$ -
12	Family Functional Therapy Program			\$ -
13	CalWORKs			\$ -
14	Homeless - Family Project			\$ -
15	GROW			\$ -
16	Inpatient/Residential Services			\$ -
17	Other Mental Health Services for clients under the age of 21 years		11,000	\$ 11,000
18	Other Mental Health Services for clients 21 years of age or older			
MHSA:				
19	Full Service Partnership (FSP) - Child			\$ -
20	FSP - TAY			\$ -
21	FSP - Adult	1,647,100	2,061,600	\$ 3,708,700
22	FSP - Older Adult			\$ -
23	Field Capable Clinical Services (FCCS)	25,000	275,000	\$ 300,000
24	Probation Camps			\$ -
25	Urgent Care Centers/Crisis Resolution Services	3,091,963	2,588,100	\$ 5,680,063
26	Wellness/Client-Run Centers	440,800	617,400	\$ 1,058,200
27	Institutions for Mental Disease (IMD) Step Down			\$ -
28	Enriched Residential Services			\$ -
29	Jail Transition and Linkage Services			\$ -
30	POE (Outreach & Engagement)			\$ -
31	PEI Early Start			\$ -
Unique/Other:				
32				\$ -
33	Maximum Contract Amount			\$ 10,757,963
	12/9/2009			

Financial Summary

Contractor Name: Exodus Recovery, Inc.
 Legal Entity Number: 00527
 Agreement Period: July 1, 2009 through June 30, 2012
 Fiscal Year: 2010-11

DMH Legal Entity Agreement
 Attachment III
 The Financial Summary - 3
 Amendment Number -3

	Funded Program	Max. Program Amount — Non-Medi-Cal/ Indigent	Max. Program Amount — Medi-Cal/ Healthy Families	Combined Max. Program Amount
1	Family Preservation Program			\$ -
2	Child Abuse Prevention Intervention and Treatment (AB2994)			\$ -
3	Special Education Pupil (SEP)			\$ -
4	Specialized Foster Care			\$ -
5	Comprehensive SOC Prog (SAMHSA, CFDA #93.958)			\$ -
6	Child MH Initiative-Project ABC (SAMHSA, CFDA #93.104)			\$ -
7	Juvenile Justice Program (STOP)			\$ -
8	Juvenile Justice Program (JJCPA)			\$ -
9	Co-occurring Disorder			\$ -
10	Path McKinney, CFDA #93.150			\$ -
11	Homeless Services (NCC)			\$ -
12	Family Functional Therapy Program			\$ -
13	CalWORKs			\$ -
14	Homeless - Family Project			\$ -
15	GROW			\$ -
16	Inpatient/Residential Services			\$ -
17	Other Mental Health Services for clients under the age of 21 years		11,000	\$ 11,000
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MHSA:				
19	Full Service Partnership (FSP) - Child			\$ -
20	FSP - TAY			\$ -
21	FSP - Adult	1,647,100	2,061,600	\$ 3,708,700
22	FSP - Older Adult			\$ -
23	Field Capable Clinical Services (FCCS)	25,000	275,000	\$ 300,000
24	Probation Camps			\$ -
25	Urgent Care Centers/Crisis Resolution Services	3,853,703	3,386,939	\$ 7,240,642
26	Wellness/Client-Run Centers	440,800	617,400	\$ 1,058,200
27	Institutions for Mental Disease (IMD) Step Down			\$ -
28	Enriched Residential Services			\$ -
29	Jail Transition and Linkage Services			\$ -
30	POE (Outreach & Engagement)			\$ -
31	PEI Early Start			\$ -
Unique/Other:				
32				\$ -
33	Maximum Contract Amount			\$ 12,318,542

12/9/2009

1/13/2010 7:02 AM

Financial Summary

Contractor Name: Exodus Recovery, Inc.
 Legal Entity Number: 00527
 Agreement Period: July 1, 2009 through June 30, 2012
 Fiscal Year: 2011-12

DMH Legal Entity Agreement
 Attachment III
 The Financial Summary - 3
 Amendment Number -3

	Funded Program	Max. Program Amount — Non-Medi-Cal/ Indigent	Max. Program Amount — Medi-Cal/ Healthy Families	Combined Max. Program Amount
1	Family Preservation Program			\$ -
2	Child Abuse Prevention Intervention and Treatment (AB2994)			\$ -
3	Special Education Pupil (SEP)			\$ -
4	Specialized Foster Care			\$ -
5	Comprehensive SOC Prog (SAMHSA, CFDA #93.958)			\$ -
6	Child MH Initiative-Project ABC (SAMHSA, CFDA #93.104)			\$ -
7	Juvenile Justice Program (STOP)			\$ -
8	Juvenile Justice Program (JJCPA)			\$ -
9	Co-occurring Disorder			\$ -
10	Path McKinney, CFDA #93.150			\$ -
11	Homeless Services (NCC)			\$ -
12	Family Functional Therapy Program			\$ -
13	CalWORKs			\$ -
14	Homeless - Family Project			\$ -
15	GROW			\$ -
16	Inpatient/Residential Services			\$ -
17	Other Mental Health Services for clients under the age of 21 years		11,000	\$ 11,000
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MHSA:				
19	Full Service Partnership (FSP) - Child			\$ -
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23	Field Capable Clinical Services (FCCS)	25,000	275,000	\$ 300,000
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25	Urgent Care Centers/Crisis Resolution Services	3,853,703	3,386,939	\$ 7,240,642
26	Wellness/Client-Run Centers	440,800	617,400	\$ 1,058,200
27	Institutions for Mental Disease (IMD) Step Down			\$ -
28	Enriched Residential Services			\$ -
29	Jail Transition and Linkage Services			\$ -
30	POE (Outreach & Engagement)			\$ -
31	PEI Early Start			\$ -
Unique/Other:				
32				\$ -
33	Maximum Contract Amount			\$ 12,318,542

12/9/2009

DMH LEGAL ENTITY AGREEMENT ATTACHMENT IV

Service Delivery Site Exhibit - 3

CONTRACTOR NAME: Exodus Recovery, Inc.

LEGAL ENTITY NO.: 00527

PERIOD: July 1, 2009 through June 30, 2012

*DESIGNATED PROGRAM OFFICE	SERVICE EXHIBIT NO.	PROV. NO.	SERVICE DELIVERY SITE(S)	M.H. SERVICE AREA(S) SERVED	SITE SUP. DISTRICT
<u>A</u>	<u>1,2,3, 4,5,6 & 7,8,9,10, 11</u>	<u>7248</u>	<u>923 S. Catalina Ave. Redondo Beach, CA 90277</u>	<u>8</u>	<u>4</u>
<u>A</u>	<u>1,2,3,4, 5,6 & 7</u>	<u>7385</u>	<u>8401 S. Vermont Ave. Los Angeles, CA 90044</u>	<u>8</u>	<u>2</u>
<u>MHSA-FSP</u>	<u>1,2,3,4,5</u>	<u>7385</u>	<u>8401 S. Vermont Avenue Los Angeles, CA 90044</u>	<u>6</u>	<u>2</u>
<u>MHSA-FSP</u>	<u>1,2,3,4, 5,8,9,10, 12</u>	<u>7646</u>	<u>Westside Urgent Community Services Program 3828 Hughes Avenue Culver City, CA 90232</u>	<u>5</u>	<u>2</u>
<u>MHSA- FSP</u>	<u>1,2,3,4, 5,8,9,10</u>	<u>TBA</u>	<u>Exodus Recovery FSP's 9808 Venice Blvd., Suite 702 Culver City, CA 90232</u>	<u>5</u>	<u>2</u>
<u>MHSA- WELLNESS SVC</u>	<u>5</u>	<u>TBA</u>	<u>PEJ Exodus Wellness Center 11905 S. Central Ave., Suite 303 Los Angeles, CA 90059</u>	<u>6</u>	<u>2</u>
<u>MHSA</u>	<u>12</u>	<u>TBA</u>	<u>LAC+USC(UCC) 1920 Marengo Street Los Angeles, CA 90033</u>	<u>4</u>	<u>1</u>

*Legend: Adult Systems of Care (A)
Child, Youth and Family Program Administration (C)
Critical Care (CC)
Court Programs (CP)
Older Adult Program (OA)
Transition Age Youth (TAY)

Homeless (H)
Managed Care (MC)

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

SERVICE EXHIBITS - 3

A duplicate original of the Service Exhibit(s) will be on file in the Department of Mental Health's Contracts Development and Administration Division and is deemed incorporated herein by reference as though fully set forth, and will be made available to interested persons upon request.

	<u>DESCRIPTION</u>	<u>CODES</u>	
8	<u>Targeted Case Management Services (Rehab. Option)</u>	<u>104-A</u>	<u>1</u>
9	<u>Short-Term Crisis Residential Services (Forensic)</u>	<u>201</u>	
10	<u>Crisis Stabilization Services (Rehab. Option)</u>	<u>202-A</u>	
11	<u>Vocational Services</u>	<u>304-A</u>	
12	<u>Day Rehabilitation Services (Adult) (Rehab. Option)</u>	<u>308-B</u>	
13	<u>Day Rehabilitation Services (Children/Adolescents) (Rehab. Option)</u>	<u>309-B</u>	
14	<u>Day Treatment Intensive Services (Adult) (Rehab. Option)</u>	<u>310-B</u>	
15	<u>Day Treatment Intensive Services (Children/Adolescents) (Rehab. Option)</u>	<u>311-B</u>	
16	<u>Mental Health Services (Rehab. Option)</u>	<u>402</u>	<u>2</u>
17	<u>Medication Support Services (Rehab. Option)</u>	<u>403</u>	<u>3</u>
18	<u>Crisis Intervention Services (Rehab. Option)</u>	<u>404-A</u>	<u>4</u>
19	<u>Mental Health Service Treatment Patch (La Casa)</u>	<u>405</u>	
20	<u>Therapeutic Behavioral Services</u>	<u>406-A</u>	
21	<u>Outreach Services</u>	<u>501-A</u>	<u>5</u>
22	<u>Outreach Services (Suicide Prevention Services)</u>	<u>502-A</u>	
23	<u>Intensive Skilled Nursing Facility Services</u>	<u>601</u>	
24	<u>Mental Health Rehabilitation Centers (La Casa Mental Health Rehabilitation Center)</u>	<u>602</u>	
25	<u>Intensive Skilled Nursing Facility Services (La Paz)</u>	<u>603</u>	
26	<u>Intensive Skilled Nursing Facility Services Forensic Treatment</u>	<u>604</u>	
27	<u>Skilled Nursing Facilities (Psychiatric Services)</u>	<u>605</u>	
28	<u>Skilled Nursing Facility – Special Treatment Program Services</u>		
29	<u>(SNF-STP/Psychiatric Services)</u>	<u>608</u>	
30	<u>Intensive Skilled Nursing Facility Services – Enhanced Treatment Program (ETP)</u>	<u>609</u>	
31	<u>Socialization Services</u>	<u>701-A</u>	
32	<u>Life Support Services</u>	<u>801</u>	
33	<u>Case Management Support Services</u>	<u>802-A</u>	<u>6</u>
34	<u>Case Management Support Services (Forensic)</u>	<u>803-A</u>	
35	<u>Case Management Support Services (Children & Youth)</u>	<u>804-A</u>	
36	<u>Life Support Services (Forensic)</u>	<u>805</u>	
37	<u>Independent Living Services</u>	<u>901</u>	

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

1	<u>Local Hospital Services</u>	<u>902</u>	<u> </u>
2	<u>Semi-Supervised Living Services</u>	<u>904</u>	<u> </u>
3	<u>Adult Residential Treatment Services (Transitional) (MSHA)</u>	<u>912</u>	<u> </u>
4	<u>Adult Residential Treatment Services (Long Term)</u>	<u>913</u>	<u> </u>
5	<u>Non-Hospital Acute Inpatient Services (La Casa PHF)</u>	<u>914</u>	<u> </u>
6	<u>Comprehensive Adult Residential Treatment Services (Bio-Psycho-Social Services)</u>	<u>915</u>	<u> </u>
7	<u>Assertive Community Treatment Program (ACT)</u>	<u>921</u>	<u> </u>
8	<u>Psychiatric Inpatient Hospital Services</u>	<u>930</u>	<u> </u>
9	<u>Primary Linkage and Coordination Program</u>	<u>1001</u>	<u> </u>
10	<u>Service Provisions (Organizational Provider Only)</u>	<u>1003</u>	<u> </u>
11	<u>Consumer Run/Employment Program</u>	<u>1005</u>	<u> </u>
12	<u>Client Supportive Services (<i>Includes Attachment A Reimbursement Procedures</i></u>		
13	<u><i>and Attachment B Monthly Claim for Cost Reimbursement</i>)</u>	<u>1010-A</u>	<u>7</u>
14	<u>Mental Health 24-Hour Services Interim Placement Funding for Basic Care Services</u>	<u>1011</u>	<u> </u>
15	<u>Mental Health 24-Hour Services Children Under Age 18 Basic Services</u>	<u>1012</u>	<u> </u>
16	<u>Supportive Services – Residential Programs (<i>Includes Attachment A</i></u>		
17	<u><i>Reimbursement Procedures and Attachment B- Monthly Claim for</i></u>		
18	<u><i>Cost Reimbursement</i>)</u>	<u>1013</u>	<u> </u>
19	<u>Client Supportive Services-Mental Health Services Act Programs (<i>Includes</i></u>		
20	<u><i>Attachment A - Reimbursement Procedures and Attachment B - Monthly</i></u>		
21	<u><i>Claim for Cost Reimbursement</i>)</u>	<u>1014-A</u>	<u>9</u>
22	<u>Full Service Partnership (FSP)</u>	<u>1015</u>	<u>10</u>
23	<u>Supportive Services – Intensive Residential Program (<i>Includes Attachment A-</i></u>		
24	<u><i>Reimbursement Procedures and Attachment B - (Monthly Claim for</i></u>		
25	<u><i>Cost Reimbursement</i>)</u>	<u>1016</u>	<u> </u>
26	<u>One-Time Expenses Associated with Starting a new MHSA Program (<i>Includes</i></u>		
27	<u><i>Attachment A-Reimbursement Procedures and Attachment B – Monthly</i></u>		
28	<u><i>Claim for Cost Reimbursement</i>)</u>	<u>1017</u>	<u>8</u>
29	<u>Client Supportive Services (New Directions) (<i>Includes Attachment A</i></u>		
30	<u><i>Reimbursement Procedures and Attachment B Monthly Claim for Cost</i></u>		
31	<u><i>Reimbursement</i>)</u>	<u>1018</u>	<u> </u>
32	<u>Family Support Services</u>	<u>1019</u>	<u> </u>
33	<u>Service Extender Stipend Program Mental Health Services Act Programs</u>		
34	<u><i>(Includes Attachment A Reimbursement Procedures and Attachment B</i></u>		
35	<u><i>Monthly Claim for Cost Reimbursement</i>)</u>	<u>1020</u>	<u> </u>

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

1	<u>Client Supportive Services Field Capable Clinical Services (FCCS) Mental Health</u>		
2	<u>Services Act Programs (<i>Includes Attachment A Reimbursement Procedures</i></u>		
3	<u><i>and Attachment B Monthly Claim for Cost Reimbursement)</i></u>	1021	11
4	<u>Intensive In-Home Mental Health Services</u>	1022	
5	<u>One-Time Expenses Associated with Starting a new Mental Health Services Act</u>		
6	<u>Program for Probation Camp Services (<i>Includes Attachment A Reimbursement</i></u>		
7	<u><i>Procedures and Attachment B Monthly Claim Cost Reimbursement)</i></u>	1023	
8	<u>One-Time Expenses Associated with Starting a new MHSA Program for</u>		
9	<u>Transitional Living Centers for L.A. County, Inc. (<i>Includes Attachment A</i></u>		
10	<u><i>-Reimbursement Procedures and Attachment B Monthly Claim Cost</i></u>		
11	<u><i>Reimbursement)</i></u>	1024	
12	<u>Intensive Treatment Foster Care</u>	1025	
13	<u>One-Time Expenses Associated with Program Development for Intensive</u>		
14	<u>In-Home Evidence Based Practices (<i>Includes Attachment A Reimbursement</i></u>		
15	<u><i>Procedures and Attachment B Monthly Claim Cost Reimbursement)</i></u>	1026	
16	<u>Outreach and Engagement Services (MHSA Only)</u>	1027	
17	<u>Enriched Residential Services (Alternative Crisis) (Adults)</u>	1028	
18	<u>IMD Step-Down Programs (Adults)</u>	1029	
19	<u>Urgent Care Centers (Alternative Crisis) (Adults)</u>	1030	12
20	<u>Client Supportive Services Homeless CalWORKs Families Project (<i>Includes</i></u>		
21	<u><i>Attachment A Reimbursement Procedures and Attachment B Monthly</i></u>		
22	<u><i>Claim for Cost Reimbursement)</i></u>	1031	
23	<u>Star View-PHF-Supplemental Financial Support</u>	1032	
24	<u>Star View-CTF-Supplemental Financial Support</u>	1033	
25	<u>One-Time Expenses Associated with Program/Program Development for Intensive</u>		
26	<u>In-Home Evidence Based Practices Non-MHSA (<i>Includes Attachment</i></u>		
27	<u><i>A Reimbursement Procedures and Attachment B Monthly Claim for Cost</i></u>		
28	<u><i>Reimbursement)</i></u>	1034	
29	<u>Field Capable Clinical Services (FCCS)</u>	1035	
30	<u>Suicide Prevention Program Mental Health Services Act (MHSA) Prevention and</u>		
31	<u>Early Intervention (PEI) Plan</u>	1036	
32	<u>One-Time Expenses Associated with Starting a new MHSA Program for PEI Early</u>		
33	<u>Start Suicide Prevention Program (<i>Includes Attachment A-Reimbursement</i></u>		
34	<u><i>Procedures and Attachment B Monthly Claim Cost Reimbursement)</i></u>	1037	
35	<u>One-Time Expenses Assctd. with Starting a New MHSA Prgm Urgent Care Cntr.</u>	1038	13

SERVICE EXHIBIT 13

**ONE-TIME EXPENSES
ASSOCIATED WITH STARTING A NEW MENTAL HEALTH SERVICES ACT PROGRAM
URGENT CARE CENTER**

I. OVERVIEW

In response to the implementation requirements of Mental Health Services Act, Urgent Care Center, Los Angeles County Department of Mental Health (DMH) has designed and implemented programs, contracts, policies, procedures and payment processes that support the expansion of urgent care center services.

DMH has developed this Service Exhibit to facilitate reimbursement of one-time expenses associated with starting new MHSA programs, which include non-Medi-Cal capital assets, recruitment, training and equipment. These expenses will only be permitted during the first year in which a program is initiated.

II. ALLOWABLE ONE-TIME COSTS

A. Service Function Code (SFC) 72: Client Flexible Support Expenditures

SFC 72 applies to the cost of providing supports to clients and their caregivers, including cash payments, vouchers, goods, services, items necessary for daily living (such as, food, clothing, hygiene, etc.), travel, transportation, respite services for caregivers, and other family support services. Clients may also receive assistance with housing expenses, including, but not limited to, furniture, appliances, housewares, and moving expenses.

Funding for personal/community integration may be provided to assist clients in achieving their treatment goals and in supporting their integration into the larger community. Items may include, but are not limited to, school supplies, tuition, socialization and recreational activities. This funding may also be used for medical, dental and optical care, prescriptions, and laboratory tests when the client does not have insurance to pay for such care.

SFC 72 does not include the salaries and benefits of staff used to provide client flexible supports.

SFC 72 should not include service costs reported under Modes 05, 10 or 15. Units of service should not be reported for SFC 72.

B. Service Function Code (SFC) 75: Non-Medi-Cal Capital Assets

SFC 75 applies to the one-time cost of capital assets dedicated solely to non Medi-Cal activities. These expenses must be \$5,000 or greater; they may be claimed in the year purchased or depreciated over the useful life of the asset. Expenses that

should be reported under SFC 75, provided such expenses are dedicated solely to non Medi-Cal activities, include:

- Purchasing land or buildings used for client housing or other non-Medi-Cal activities (note: land is not a depreciable asset).
- Construction or rehabilitation of housing, facilities, buildings or office/meeting spaces.
- Related "soft" costs for development, including , facilities, buildings or office/meeting spaces.
- Vehicles (with prior LACDMH approval).
- Other capital assets dedicated solely to non Medi-Cal activities.

Mental Health funds used to leverage other housing resources, including other collaborative housing projects, should be included under SFC 75.

Units of Service should not be reported for SFC 75.

The cost of capital assets included in the service costs per unit under Modes 05, 10 or 15 must be depreciated and should not be included in SFC 75. (Refer to the *Center for Medicare and Medicaid Services (CMS) Publication 15, Provider Reimbursement Manual (HIM-15) Part 1, Chapter 1*, for guidance on depreciation requirements.)

All fixed assets or real estate acquisitions purchased within the parameters of this exhibit require the Director's prior approval.

C. Service Function Code (SFC) 78: Other Non-Medi-Cal Client Support Expenditures

SFC 78 applies to one-time expenses associated with starting a new program that include general operating expenditures incurred in providing non-Medi-Cal client supports not otherwise reported in Treatment or Outreach Programs (Mode 05, 10, 15 or 55). Allowable expenses include recruitment, training and equipment that is less than \$5,000. Examples of allowable expenditures are staff orientation and training prior to the provision of services, recruitment advertisements, and staff time dedicated to program development prior to service delivery (see attached chart).

III. REIMBURSEMENT

The procedures for reimbursement for One-Time Expenses Associated with Starting a New MHSA Program are provided in Attachment A.

ONE-TIME EXPENSES
ASSOCIATED WITH STARTING A NEW MENTAL HEALTH SERVICES ACT PROGRAM
REIMBURSEMENT PROCEDURES

The following procedures shall be used for reimbursement of One-Time MHSA expenditures:

1. ONE-TIME COSTS ELIGIBLE FOR REIMBURSEMENT

- A. Service Function Code 72: Client Flexible Support Expenditures
- B. Service Function Code 75: One-Time Non-Medi-Cal Capital Assets >\$5,000
- C. Service Function Code 78: One-Time Non-Medi-Cal Client Support Expenditures <\$5,000

2. REIMBURSEMENT GUIDELINES

The funds allocated for one-time costs shall be used only when no other non-Medi-Cal funds are available during the first year in which a new program is initiated.

3. DOCUMENTATION REQUIREMENTS FOR REIMBURSEMENT

The following supportive documentation shall be maintained on file in accordance with the Records and Audits paragraph of the Agreement:

- a. Original receipts to support payment invoices. If an original receipt is not obtainable, a copy of the receipt or justification as to why the receipt was not obtained should be retained;
- b. Copies of Real Estate Contracts/Agreements/Leases;
- c. Copies of signed checks issued; and
- d. Documentation of costs for recruitment or training of staff.

4. SUBMISSION OF MONTHLY INVOICES

Contractor shall, on the last day of each month, complete a One-time MHSA Expenses invoice indicating the funding source categories of expenses (SFC 75 or 78) and the amount spent, including staff salaries. All claims are to be submitted by Contractor to DMH within sixty (60) days from the month in which the expenditure occurred.

The One-time MHSA Expenses Claim form(s) (Attachment B) shall be submitted to:

For Urgent Care Center:

Countywide Resource Management
1925 N. Daly St., 2nd floor
Los Angeles, CA 90031

ATTN: Mary Marx, District Chief

5. DMH REVIEW AND APPROVAL OF INVOICES

The above-designated DMH Program Manager will review monthly invoices and sign to affirm that expenditures meet established procedures for One-time Expenses Associated with Starting a New MHSA Program. Approved invoices will be forwarded to the DMH Provider Reimbursement Unit for payment.

DMH shall process all completed requests for reimbursement on a monthly basis. The judgment of DMH as to the allowability of any expenditure shall be final.

6. MONTHLY RECONCILIATION REPORT

The amount of funds allocated for one-time MHSA expenditures associated with starting a new program must have been approved by the Department prior to the expenditures. Monthly disbursements reports will be generated by the Accounting Division for the Contractors and Program staff to ensure expenditures have not been exceeded. The County shall not be liable for reimbursement of any expenses claimable hereunder in the event that Contractor exceeds its allocation or violates the terms and conditions of these procedures or the Legal Entity Agreement.

County of Los Angeles-Department of Mental Health-Provider Reimbursement Division
Monthly Claim for Cost Reimbursement

SPECIAL HANDLING REQUIRED

Fiscal Year _____

SPECIAL HANDLING REQUIRED

Client Supportive Services and One-Time MHSA Expenses

Funding Source Name: _____ Age Group: _____

Legal Entity Name: _____

Legal Entity Mailing Address: _____

Billing Month(s): _____ Contract Amendment No.: _____

Provider Number(s): _____

1. Expenditures:

- | | | |
|-----|---|-------------|
| 1.1 | A. SFC 70: Client Housing Support Expenditures | _____ (1.1) |
| 1.2 | B. SFC 71: Client Housing Operating Expenditures | _____ (1.2) |
| 1.3 | C. SFC 72: Client Flexible Support Expenditures | _____ (1.3) |
| 1.4 | D. SFC 75: Non-Medi-Cal Capital Assets | _____ (1.4) |
| 1.5 | E. SFC 78: Other Non Medi-Cal Client Support Expenditures | _____ (1.5) |

2. One-Time Costs:

- | | | |
|-----|---|-------------|
| 2.1 | A. SFC 72: Client Flexible Support Expenditures | _____ (2.1) |
| 2.2 | B. SFC 75: Non Medi-Cal Capital Assets | _____ (2.2) |
| | One-time Assets >\$5000 | |
| 2.3 | C. SFC 78: Other Non Medi-Cal Client Support Expenditures | _____ (2.3) |
| | One-time Recruitment, Training, and Equipment <\$5000 | |

3. Total Expenditures (add lines 1.1 through 2.3) _____ (3.0)**Less: Patient & Third Party Revenues**

- | | | |
|-----|-------------------|-------------|
| 3.1 | Patient Fees | _____ (3.1) |
| 3.2 | Patient Insurance | _____ (3.2) |
| 3.3 | Medicare | _____ (3.3) |
| 3.4 | Other: _____ | _____ (3.4) |

4. Total Revenues (add lines 3.1 through 3.4) _____ (4.)**5. Expenditures less revenues (subtract line 4 from line 3) _____ (5.)****6. Net Payable _____ (6.)**

Comments: _____

NOTE: CAPITAL DEVELOPMENT PROJECTS, INCLUDING ALL FIXED ASSETS OR REAL ESTATE ACQUISITIONS PURCHASED WITHIN THE PARAMETERS OF CLIENT SUPPORTIVE SERVICES, REQUIRE THE DIRECTOR'S PRIOR APPROVAL.

I hereby certify that all information contained above are services and costs eligible under the terms and conditions for reimbursement under Client Supportive Services and is true and correct to the best of my knowledge. All supporting documentation will be maintained in a separate file for the period specified under the provisions of the Mental Health Services Agreement - Legal Entity, Paragraph 12, Subparagraph A, Section (1), Sub-sections (1)(a) and (1)(b), Section (2), Section (3), and Section (4).

Signature: _____

Phone No.: _____

Title: _____

Date: _____

LAC-DMH Program Approval:

Approved By (signature) _____

Date _____

Print Name _____

Title _____

DMH Amendment Summary

LEGAL ENTITY NAME: Exodus Recovery, Inc

Contract No.: MH120447 Legal Entity No.: 00527 Amendment No. 3

LIST OF FUNDING SOURCES, PLANS, AND/OR SERVICES

(Please check all applicable funding sources, plans, and/or services for Amendment only.)

1	Family Preservation Program	
2	Child Abuse Prevention Intervention and Treatment (AB2994)	
3	Special Education Pupil (SEP)	
4	Specialized Foster Care	
5	Children's Comprehensive SOC Prog (SAMHSA, CFDA #93.958)	
6	Child MH Initiative-Project ABC (SAMHSA, CFDA #93.104)	
7	Juvenile Justice Program (STOP)	
8	Juvenile Justice Program (JJCPA)	
9	Co-occurring Disorder	
10	Path McKinney, CFDA #93.150	
11	Homeless Services (NCC)	
12	Family Functional Therapy Program	
13	CalWORKs	
14	Homeless - Family Project	
15	GROW	
16	Inpatient/Residential Services	
17	Non-Medi-Cal/Indigent	X
18	Other Mental Health Services for clients under the age of 21 years	
19	Other Mental Health Services for clients 21 years of age or older	
20	MHSA - Full Service Partnership (FSP) - Child	
21	MHSA - FSP - TAY	

22	MHSA - FSP - Adult	
23	MHSA - FSP - Older Adult	
24	MHSA - Field Capable Clinical Services (FCCS)	
25	MHSA - Probation Camps	
26	MHSA - Urgent Care Centers	X
27	MHSA - Wellness/Client-Run Centers	
28	MHSA - Institutions for Mental Disease (IMD) Step Down	
29	MHSA - Enriched Residential Services	
30	MHSA - Jail Transition and Linkage Services	
31	MHSA - POE (Outreach & Engagement)	
32	MHSA - PEI Early Start	
33	DCFS Star View	
34	DHS LAMP	
35	DHS Social Model	
36	DCFS Hillview Transitional Independent Living	
37	DHS/ADPA Dual Diagnosis	
38	DCFS THP	
39	DCFS Medical Hub	
40	MAA	
41	Tri-City	
42	Medi-Cal: NON-EPSDT, EPSDT/Healthy Families/MAA/Tri-City	

FUNDING SOURCE(S)
(Select from Funding Sources listed above for Amendment.)
MHSA Non-Medi-Cal/Indigent Urgent Care Centers
MHSA Medi-Cal Urgent Care Center
Total
MHSA Non-Medi-Cal/Indigent Urgent Care Center
MHSA Medi-Cal Urgent Care Centers
Total

AMOUNT Increase/Decrease	FISCAL YEAR	MCA
\$1,395,563	2009-10	
\$570,600	2009-10	
		\$10,757,963
\$2,157,303	2010-12	
\$1,369,439	2010-12	
		\$12,318,542

AMENDMENT ACTION(S): **BOARD ADOPTED DATE:** **EFFECTIVE DATE:**
 Amendment No. 3 intends to amend Agreement to implement an Urgent Care Center near the Los Angeles County, and University of Southern California (LAC+USC) Medical Center; and to add a new service delivery site located at 1920 Marengo Street, Los Angeles, CA 90033, under a new Provider No. TBA. For FY 2009-10 only, County and Contractor intends to amend Agreement to increase MHSA Non-Medi-Cal/Indigent Urgent Care Center's funds by \$1,395,563, and increase MHSA Medi-Cal funds by \$570,600. For FYs 2010-11 and 2011-12, increases MHSA Non-Medi-Cal/Indigent funds by \$2,157,303, and increases MHSA Medi-Cal Urgent Care Center funds by \$1,369,439. For FYs 2009-10, 2010-11, and 2011-12, the MCA will increase by a total of \$1,966,163, \$3,526,742, \$3,526,742, respectively, and the revised new MCAs will be \$10,757,963, \$12,318,542, and \$12,358,542, respectively.

New Headquarters' (HQ) Address: _____ HQ Sup. District: 2
 Service Area(s): 5

ADD SERVICE SITE(S):

Name	Address	Sup. Dist.	Svc. Area(s)	Prov. No.
LAC+USC Medical Center (UCC)	1920 Marengo Street, Los Angeles, CA 90033	1	2	TBA

Deputy Director: Cathy Warner

Lead Manager: Karen Williams

EXODUS RECOVERY INC. PSYCHIATRIC URGENT CARE CENTER

STATEMENT OF WORK (SOW)

1.0 INTRODUCTION

1.1 OVERVIEW

The Exodus Recovery, Inc. Urgent Care Center (ERUCC) is a component of Alternative Crisis Services offered through the Los Angeles County (LAC) Mental Health Services Act (MHSA)-Community Support and Services (CSS) Plan. The ERUCC is intended to alleviate the overcrowding in the County Psychiatric Emergency Services (PES) and private hospitals in Service Area 4 and the surrounding area by providing rapid access to mental health evaluation and assessment, crisis intervention and medication support 24 hours a day, 7 days a week to individuals experiencing an emotional crisis.

1.2 HEADINGS AND DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The words as used herein shall be construed to have the meanings described in this section, unless otherwise apparent from the context in which they are used.

1.3 SCOPE OF WORK

Exodus Recovery, Inc., (Exodus) in collaboration with the Department of Mental Health (DMH) and the Department of Health Services (DHS) Los Angeles County + University of Southern California (LAC+USC) Medical Center, shall establish a Lanterman-Petris-Short (LPS) designated Urgent Care Center (UCC) in close proximity to LAC+USC. The UCC will be called the Exodus Recovery Urgent Care Center (ERUCC), and shall provide twenty-four (24) hours per day, seven (7) days per week intensive crisis services to individuals 16 years of age and older who would

otherwise be taken to or access care in an emergency room. This shall include individuals:

- Who are repetitive and frequent users of emergency and inpatient services;
- Who have co-occurring mental health and substance abuse disorders;
- Who need medication management; and
- Who have problems that can be resolved with short-term (under 23 hours) immediate care and linkage to community-based resources.

Although these individuals are not likely to require psychiatric hospitalization or medical care, they require stabilization and linkage to ongoing community-based services. The ERUCC shall provide crisis intervention services, including integrated services for co-occurring substance abuse disorders. The ERUCC shall focus on recovery and linkage to ongoing community services and supports; it is designed to reduce unnecessary and lengthy involuntary inpatient treatment, as well as to promote care in voluntary recovery-oriented treatment settings. Exodus shall obtain and maintain LPS designation for ERUCC and for appropriate staff.

Core Services to be Delivered:

Exodus shall provide the following services at the ERUCC:

- Comprehensive psychiatric assessment, including assessment of co-occurring substance abuse;

- Basic physical assessment, including assessment of symptoms related to co-occurring mental health and substance abuse disorders;
- Crisis intervention, including family interventions when needed;
- Medication management including administering medication as needed;
- Initiation of benefits establishment when needed;
- Referral and linkage to medical treatment; emergency, transitional and permanent housing; adult residential services programs; shelters and other needed services;
- Transportation to emergency, transitional or permanent housing when appropriate to ensure that successful linkage takes place;
- Linkage to intensive community services programs (e.g. Full Service Partnership (FSP), Field Capable Clinical Services, Assertive Community Treatment (ACT) etc.);
- Linkage to community mental health centers in clients' community of choice and/or linkage to clients' existing service providers;
- Linkage to Wellness Centers and client-run support programs; and
- Provision or arrangement for the delivery of required ancillary services including but not limited to:
 - Laboratory tests and X-ray when necessary;
 - Dietary requirements; and
 - Linens

1.4 OUTCOMES FOR EXODUS RECOVERY URGENT CARE CENTER

The following outcomes are identified for the ERUCC:

1. Reduced admissions of individuals experiencing a mental health crisis to local community hospital emergency rooms and County PES.

2. Reduced incidence of psychiatric hospital admissions among identified frequent users and Intensive Service Recipients (ISRs-clients with 6 or more psychiatric hospitalizations in the past 12 months).
3. Reduced utilization of PES by identified frequent users and ISRs Increased community tenure (time spent living and working in the community) among people served by the ERUCC.
4. Enhanced and strengthened access, linkage and transition between crisis services and community-based programs such as mental health outpatient clinics, case management programs, supportive residential programs and FSP programs.

Performance-Based Criteria

County has established nine (9) Performance-based Criteria to measure Exodus performance related to program and operational measures and quality of the mental health services provided at the ERUCC. These criteria are consistent with the MHSA CSS Plan.

The Performance-based criteria which shall be achieved are as follows:

PERFORMANCE BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
1. Agency has ethnic parity of staff to clients served	Review of staffing pattern and personnel records	Staff shall be hired in direct percentage to the percent of ethnic minority clients served in Service Area 4 and surrounding area
2. Agency has linguistic capability sufficient to meet the needs of clients to be served	Review of staffing pattern and personnel records	Staff shall be available to meet the linguistic needs of clients in Service Area 4 and surrounding area
3. Provider offers immediate access to Mental Health Services for clients in a crisis	Client satisfaction survey	100% of clients entering the Program are seen in a timely fashion, ensuring client satisfaction as measured by self reports

PERFORMANCE BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
		that are included in a client satisfaction survey
4. Agency has sufficient number of LPS designated staff to serve clients	Review of staffing records	LPS designated staff on each shift
5. Agency identifies clients with co-occurring mental health and substance abuse disorders and provides appropriate services	Information Systems (IS) report	A minimum of 50% of clients are identified as having co-occurring mental health and substance abuse disorders
6. Agency provides (or arranges access to) peer support and self-help groups	Sample review of client records	A minimum of 50% of clients will be referred to peer support and self-help groups
7. Agencies have paid staff who are consumers and/or peer advocates	Review of personnel records	Peer/family advocate staff will be hired within the first 12 months.
8. Agency serves uninsured clients	IS report	A minimum of 25% uninsured clients
9. UCC reduces hospital admissions for ISRs and others	IS report and analysis	Clients using UCC demonstrate decreased use of hospital services compared with baseline period

1.5 STAFFING

Exodus shall ensure that the following staff and volunteer requirements are met:

1.5.1 Criminal Clearances: Criminal clearances and background checks shall have been conducted for all ERUCC's staff and volunteers , prior to beginning and continuing work. The cost of such criminal clearances and background checks is the responsibility of Exodus, whether or not ERUCC's staff or volunteers pass or fail the background and criminal clearance investigations.

1.5.2 Language Ability: Personnel performing services under this SOW shall be able to read, write, speak, and understand English in order

to conduct business with County. In addition to having competency in English, Exodus shall ensure there is a sufficient number of bilingual staff to meet the language needs of the community served.

- 1.5.3 Service Delivery: All professional and paraprofessional staff and volunteers providing ERUCC services must be able to provide services in a manner that effectively responds to differences in cultural beliefs, behaviors and learning, and communication styles within the community in which ERUCC provides services.
- 1.5.4 Driver's License: Exodus shall maintain copies of current driver's licenses, including current copies of proof of auto insurance of staff providing transportation on an as-needed basis to clients.
- 1.5.5 Driving Record: Exodus shall maintain copies of driver's Department of Motor Vehicles (DMV) printouts for all ERUCC's drivers providing service under this SOW. Reports shall be available to County upon request. County reserves the option of doing a DMV check on ERUCC's drivers once a year.
- 1.5.6 Experience: Exodus shall be responsible for securing and maintaining staff who meet the minimum qualifications below and who possess sufficient experience and expertise required to provide services required in this SOW. Exodus shall obtain written verification for staff with foreign degrees that the degrees are recognized as meeting established standards and requirements of an accrediting agency authorized by the U.S. Secretary of Education.
- 1.5.7 Staff Training: Exodus shall train all professional and paraprofessional staff, interns and volunteers providing ERUCC services within thirty (30) business days from their start date.
- 1.5.8 Documentation: Exodus shall maintain documentation in the personnel files of all professional and paraprofessional staff, interns, and volunteers of: (1) all training hours and topics; (2)

copies of résumés, degrees, and professional licenses; and (3) current criminal clearances.

1.5.9 Rosters: Exodus shall provide County, at the beginning of this SOW and within 30 days of any key staff change(s), a roster of all Exodus staff that includes: (1) name and positions; (2) work schedules; and (3) office facsimile and telephone numbers.

1.5.10 Changes: Exodus shall advise County in writing of any change(s) in ERUCC's key personnel at least twenty-four (24) hours before proposed change(s), including names and qualifications of new personnel. ERUCC shall ensure that no interruption of services occurs as a result of the change in personnel.

1.6 ADMINISTRATIVE TASKS

1.6.1 Record Keeping: Exodus shall keep a record of services that were provided, as well as the dates, agendas, sign-in sheets, and minutes of all ERUCC meetings.

1.6.2 Evaluation Tools: Exodus shall provide clients and their families a voluntary tool by which to evaluate the services rendered by the ERUCC. Exodus shall make this tool and related information available to County upon request. Exodus shall ensure the tool will evaluate the performance of the ERUCC.

1.6.3 Data Entry: Exodus shall be responsible for collecting and entering data electronically at network sites and download at the County centralized database (Integrated System). At a minimum, data collection shall include demographic data, the number of admissions/discharges, living situation on admission, mental health and substance abuse diagnosis, and services received.

1.6.4 Project Manager: Exodus shall designate Project Manager responsible for the over-all administration and day-to-day management of the ERUCC.

1.6.5 Days/Hours of Operation: ERUCC services shall be available as follows:

1.6.5.1 Exodus Recovery Urgent Care Center (ERUCC) Program:

The services offered by the ERUCC shall be available twenty-four (24) hours per day, seven (7) days per week. Exodus shall provide the names and phone numbers of primary contact persons for all hours of the program's operation. In addition, the ERUCC Project Manager or alternate shall have full authority to act for Exodus on all matters relating to the daily operation of the ERUCC, and shall be available during the County's regular business hours of Monday through Friday, from 8:00 A.M. until 5:00 P.M., to respond to County inquiries and to discuss problem areas.

1.6.6 Computer and Information Technology Requirements: Exodus shall acquire a computer system, within 30 days of commencement of this SOW with sufficient hardware and software and an agreement for its on-site maintenance to comply with the terms of this SOW.

1.6.7 Cooperation: Exodus shall work cooperatively with County Information Technology Services staff and any contracted program evaluator, if applicable. Exodus shall provide data entry staff to process electronic/fully automated invoices for County web-based IS. Exodus shall electronically invoice County on a monthly basis.

1.7 SERVICE DELIVERY SITE

Exodus shall deliver services on the first floor of the building located at 1920 Morengo Street, Los Angeles, 90033. Exodus shall request approval from the County Program Manager in writing a minimum of sixty (60) days before terminating services at 1920 Morengo Street, Los Angeles, 90033 and/or before commencing services at any other

location(s) not previously approved in writing by the County Program Manager. The ERUCC shall be operational within 90 days of the commencement of this SOW to allow for building renovation and program implementation.

2.0 EXODUS RECOVERY URGENT CARE CENTER PROGRAM

2.1 REQUIREMENTS FOR THE ERUCC

2.1.1 As outlined in Los Angeles County Community Services and Supports Plan¹, "(Urgent Care Centers) will promote the provision of mental health care and integrated treatment for (co-occurring substance abuse disorders) in voluntary treatment settings that are recovery oriented". Clients of ERUCC services will be given up to 23 hours of intensive crisis assistance onsite and offered an array of other services, including:

- Comprehensive psychiatric assessment, including assessment of co-occurring substance abuse;
- Basic physical assessment, including assessment of symptoms related to co-occurring mental health and substance abuse disorders;
- Crisis intervention, including family interventions when needed;
- Medication management;
- Group interventions (e.g. Alcoholic Anonymous meetings onsite) when appropriate;
- Initiation of benefits establishment when needed;
- Referral and linkage to medical treatment, emergency, transitional and permanent housing, adult residential services programs, shelters and other needed services;
- Transportation to housing when appropriate to ensure that successful linkage takes place;

¹ LAC—DMH MHSA Community Services and Supports Plan—ACS-01a: Urgent Care Centers-October 2005, pg. 37 and 175

- Linkage with intensive community services programs (e.g. FSP, ACT, etc.);
- Linkage with community mental health centers in the client's community of choice and/or linkage to clients' existing service providers; and
- Linkage with Wellness Centers and client-run support programs.

3.0 PRIORITY POPULATIONS TO BE SERVED

Exodus shall serve the following priority populations:

1. Transition Age Youth (16-25), adults (26-59), older adults (60+), and families in a mental health crisis.
2. Individuals with co-occurring disorders such as substance abuse disorders, developmental disorders, medical disorders and cognitive disorders with a primary diagnosis of mental illness.
3. ISRs.
4. Clients who have an urgent need for mental health services but who are unable to access services in a timely manner, thereby risking decompensation and the need for a higher level of care.
5. Clients at high risk for suicide.
6. Clients referred/diverted from Psychiatric Emergency Rooms or General Hospital Emergency Rooms.

4.0 SERVICES TO BE PROVIDED AT THE ERUCC

Exodus shall provide the services described below in this SOW directly or by referrals to agencies with which it has an established relationship, as follows:

- 4.1 Culturally and Linguistically Appropriate Services – Services shall be delivered by professional and paraprofessional staff with similar cultural and linguistic backgrounds to those of the population(s) being served. Service providers understand and utilize the strengths of culture in service delivery and incorporate the languages and cultures of their clients into the

services that provide the most effective outcomes. Peer and/or family support services are desired components of the ERUCC.

- 4.2 Mental Health Service/Assessment – Mental Health Services refers to individual therapies and interventions designed to provide reduction of mental disability and improvement or maintenance of functioning consistent with the goals of learning, development, independent living and enhanced self-sufficiency. Mental Health Services include Mental Health Assessment, which refers to an analysis of the history and current status of mental, emotional or behavioral disorder.
- 4.3 Crisis Intervention – These services are rendered to or on behalf of a client for a condition that requires a more timely response than a regularly scheduled visit and is delivered at a site other than a Crisis Stabilization program. Crisis Intervention Services last less than 24 hours and include but are not limited to activities such as Assessment, Collateral and Therapy.
- 4.4 Co-Occurring Services – These services are for individuals with a primary diagnosis of mental illness who have co-occurring disorders such as substance abuse, physical difficulties, and developmental disabilities. Individuals with cognitive disorders are included within this category if they have concurrent primary diagnoses of serious mental illness.
- 4.5 Medication Evaluation and Support – Physicians and nurses shall evaluate an individual's need for psychiatric medication, and will administer medications, monitoring clients' status as appropriate. Medication Evaluation and Support Services include staff persons, within the scope of practice of their professions, prescribing, administering, dispensing and monitoring the psychiatric medications necessary to alleviate the symptoms of mental illness.
- 4.6 Case Management/Linkage – Based on the assessment conducted at the time of admission to the ERUCC, multidisciplinary staff provides linkage and transition to the community supports necessary for all individuals seen

in the ERUCC. Case Management services provided by ERUCC shall be consistent with the definition for Targeted Case Management: services that assist a client to access needed medical, education, social, pre-vocational, vocation, rehabilitative, or other community services.

- 4.7 Transportation Services – These services provide transportation for clients and families to a specific service site by means of bus fare/pass, provider's passenger vanpool, or private vendor if no other means of transportation is available.
- 4.8 Housing Services – These services assist clients to access emergency, transitional, temporary, and permanent housing. Services may include, but are not limited to helping individuals who are homeless link with emergency shelter bed program(s) and/or assisting individuals who require longer-term transitional residential program(s) to access such services.
- 4.9 Access to Physical Health Care – These are arrangements to ensure rapid access to emergency medical care for individuals in a health crisis. They are also referrals to health care providers to ensure that clients receive the appropriate medical/dental examinations and follow-up treatment.
- 4.10 Interagency Collaboration – These are relationships, whether formal or informal, with other community agencies and/or resources that serve mentally ill individuals and share accountability for achieving outcomes on their behalf in the same community as mentally ill individuals served by ERUCC.
- 4.11 Community Partnerships – These are formal or informal arrangements with an array of community-based organizations and collaboratives that meet regularly to promote the well-being of clients and their families.
- 4.12 Referrals and Continuity of Care – These are linkages to services necessary to meet the needs of clients and their families. Linkages may be made to other public agencies, private agencies, or other collaborative

community resources for services that ERUCC does not or may no longer provide.

- 4.13 Benefits Establishment and Services to the Uninsured – These are assessments of the financial status of the client, including initiating applications for entitlements for which the client may qualify. In addition, services to uninsured individuals ensure that clients who do not have entitlements, insurance, or income at the time of admission are eligible to receive services.

5.0 QUALITY ASSURANCE AND DATA COLLECTION

5.1. QUALITY ASSURANCE

5.1.1. Exodus shall establish and utilize a comprehensive Quality Assurance Plan (Plan) to ensure that required ERUCC services are provided at a consistently high level. Exodus shall submit the Plan to County for review and approval. The Plan shall be effective on the Amendment start date. Exodus shall submit any necessary changes in key staffing or program to County for approval.

5.1.2 The Plan shall include an identified monitoring system covering all the services listed in this SOW. The method of monitoring to ensure that SOW requirements are being shall include:

1. Activities to be monitored, frequency of monitoring, samples of forms to be used in monitoring, title/level and qualifications of personnel performing monitoring functions.
2. Ensuring the services, deliverables, and requirements defined in this SOW are being provided at or above the level of quality agreed upon by the County and Exodus .
3. Assuring that professional staff rendering services under this SOW has the necessary prerequisites.
4. Identifying and preventing deficiencies in the quality of service before the level of performance becomes unacceptable.

5. Taking any corrective action needed, providing to County upon request a record of all inspections, the corrective action taken, the time the problem is first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action.
6. Continuing to provide services in the event of a strike or other labor action of ERUCC employees.
7. Timely notification to County by the Exodus of community complaints and concerns, including indication of the corrective actions taken to address/resolve the complaint or concern.

5.2 DATA COLLECTION

ERUCC shall collect, manage and submit data as directed by County to demonstrate client outcomes inclusive of guidelines set forth by County and the State. ERUCC shall work with the Countywide Resource Management and Service Area 4 District Chiefs and/or designees to develop and implement client tracking systems that include client characteristics and demographics, collection and reporting of data on the outcomes and objectives, method of monitoring the quality of services provided by ERUCC, and survey instruments. ERUCC shall perform data entry to support these activities.

6.0 INFORMATION TECHNOLOGY REQUIREMENTS

6.1 FUNCTIONAL REQUIREMENTS

- 6.1.1 ERUCC shall enroll individuals and provide basic clinical and demographic information, services detail, ongoing assessment and outcomes data, and submit claims for services provided in an electronic form.
- 6.1.2 Throughout the duration of the contracted services of this SOW, Exodus shall obtain, certify, submit, and review comprehensive information on client status and the outcomes of the service in accordance with MHSA requirements. Exodus shall comply with all

deadlines to be specified by County for time-specific processes for the submittal and delivery of information. Exodus shall meet certain time-specific processes for the submittal and delivery of information. Claims for reimbursement that shall be submitted timely to avoid penalty, payment delays, or outright denial of a claim.

6.1.3 For claims-related enrollment, units of service reporting and claiming, Exodus shall submit information to the County IS by one of two methods: 1) Electronic Data Interchange (EDI), which is electronically submitting Health Insurance Portability and Accountability Act (HIPAA) compliant claims transactions, or 2) Direct Data Entry (DDE), which is entering claims data directly into the IS. EDI is strongly preferred by County.

6.1.4 Exodus shall provide outcomes information by one of the following methods:

1. By transmitting the information electronically to County from the ERUCC, billing company, or clearinghouse systems using an XML format that County will provide that is substantially similar to what the State requires County to submit, or
2. By using DDE as above into a web-based County Outcomes Measurement System.

6.1.5 For both claiming and outcomes information, an Internet connection shall be required and broadband shall be essential.

7.0 PRIVACY AND ELECTRONIC SECURITY

7.1 ERUCC shall comply with federal and state laws as they apply to protected health information (PHI), individually identifiable health information (IIHI), and electronic information security.

7.2 ERUCC shall comply with the HIPAA privacy and security regulations independently of any activities or support of County.

- 7.3 Any Contractor that is deemed a "Business Associate" of County HIPAA shall enter into a Business Associate Agreement with the County of Los Angeles to ensure compliance with the privacy and electronic security standards.

8.0 TECHNOLOGY REQUIREMENTS

- 8.1 Exodus shall acquire, manage, and maintain its own information technology and systems in order to meet the functional, workflow, and privacy/security requirements listed above. For claiming, status and outcomes information, an Internet connection shall be required; unless the provider is a very small agency, broadband shall be essential.
- 8.2 If ERUCC elects to connect to County systems for DDE ERUCC shall maintain an Internet Connection and use a Web browser at the level of Internet Explorer 6.0 or better. Neither the Integrated System nor the Outcomes Measurement System has been tested using a Macintosh and DDE using a Macintosh, while theoretically possible, is not supported by County. The most effective systems for this purpose will be Microsoft Windows-based PCs equipped with Internet Explorer 6.0 or better.
- 8.3 If ERUCC elects to submit internally generated electronic information to County, ERUCC shall use Secure Internet File Transfer protocol to do so. County will provide the XML specifications for the outcomes data. Claiming, remittance advice, enrollment, eligibility, and other financial transactions shall comply with the HIPAA standard for transactions and code sets. The applicable trading partner agreements and specifications are available at the County web site and will be provided at the time the SOW is approved. County does not maintain and will not support a private network of any kind.
- 8.4 Exodus shall be solely responsible for complying with all applicable state and federal regulations affecting the maintenance and transmittal of electronic information.

9.0 REQUIRED DOCUMENTS

9.1 Exodus shall demonstrate in writing how the services impact the performance targets. Exodus shall maintain, at a minimum, the following documents that indicate that performance targets:

9.1.1 Required statistical reports related to ERUCC's services.

9.1.2 Required documents such as licenses, certification, etc. related to the services.

9.1.3 Training schedules and curricula.

10.0 CLIENT SUPPORTIVE SERVICES

Exodus shall be reimbursed for on-going MHSA-allowable Client Supportive Services as described in Service Exhibit 7 Attachment A that will provide services to mentally ill individuals and their families in need of assistance with housing, personal, and program/socialization needs in addition to therapeutic interventions. The funds shall be used only when there are no other funds available.

10.1 ERUCC shall, on the last day of each month, complete a Client Supportive Services invoice, indicating the funding source name and categories of expenses (SFC 70,71, 72, 75, 78) and the amount spent, including staff salaries. All claims are to be submitted by Exodus to DMH with sixty (60) days from the month in which the expenditure occurred.

10.2 Exodus shall submit the Client Supportive Services form (Attachment B) to:

County of Los Angeles-Department of Mental Health

Service Area 4 Administration

550 S. Vermont Ave, 4th floor

Los Angeles, CA 90020

ATTN: Edward Vidaurri, District Chief

The District Chief will review monthly invoices and sign to affirm that expenditures meet established procedures for One-Time Expenses Associated with Starting a New MHSA Program. Approved invoices will be

forwarded to County's Provider Reimbursement Unit for payment. The County shall not be liable for reimbursement of any expenses claimable hereunder in the event that Exodus exceeds its allocation or violates the terms and conditions of these procedures or the Legal Entity Agreement.

11.0 ONE-TIME COSTS

Exodus shall be reimbursed for MHSA-allowable one-time expenses associated with starting the new Exodus, up to \$496,687 for FY 2009-10 only. This includes \$250,000 for tenant improvements and \$246,687 that includes retroactive reimbursement of \$44,608 to ERUCC to recover the security deposit required to secure the program site; and costs of equipment, furnishings, recruitment, hiring, and staff training as described in Service Exhibit ONE-TIME EXPENSES Associated with Starting a New MHSA Program.

11.1 ERUCC shall be reimbursed according to procedures described for ONE-TIME EXPENSES Associated with Starting a New MHSA Program Attachment A.


11.2 On the last day of each month Exodus shall complete a One-Time Expenses invoice indicating the funding sources, categories of expenses (SFC 75 or 78) and the amount spent, including staff salaries. Exodus shall submit all claims to County within 60 days from the month the expenditures occurred.

11.3 Exodus shall submit the One-Time Expenses Claim form (Attachment B) to:

County of Los Angeles-Department of Mental Health
Service Area 4 Administration
550 S. Vermont Ave, 4th floor
Los Angeles, CA 90020
ATTN: Edward Vidaurri, District Chief

The District Chief will review monthly invoices and sign to affirm that expenditures meet established procedures for One-Time Expenses Associated with Starting a New MHSA Program. Approved invoices will be forwarded to County's Provider Reimbursement Unit for payment. The County shall not be liable for reimbursement of any expenses claimable hereunder in the event that Exodus exceeds its allocation or violates the terms and conditions of these procedures or the Legal Entity Agreement.

SOLE SOURCE CHECKLIST AGREEMENT WITH EXODUS RECOVERY, INC.

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS <i>Identify applicable justification and provide documentation for each checked item.</i>
✓	<p>➤ Only one bona fide source for the service exists; performance and price competition are not available.</p> <p>DMH had planned to enter into a competitive bidding process with Telecare Corporation and Exodus Recovery, Inc., two qualified providers of mental health services in the area; to select a contractor to provide Urgent Care Center services; however on March 31, 2009 Telecare Corporation notified DMH of its decision to withdraw from consideration as a potential provider for these services.</p>
	<p>➤ Quick action is required (emergency situation).</p>
	<p>➤ Proposals have been solicited but no satisfactory proposals were received.</p>
	<p>➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.</p>
	<p>➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.</p>
	<p>➤ It is more cost-effective to obtain services by exercising an option under an existing contract.</p>
✓	<p>➤ It is in the best interest of the County, e.g., administrative cost savings, excessive learning curve for a new service provider, etc.</p> <p>The University of Southern California Care Medical Group, Inc. (USC Care), the previous provider of UCC services near LAC+USC Medical Center, terminated its contract and ceased services effective March 19, 2009. It is important that arrangements be made for a new program to provide UCC services at LAC+USC Medical Center. The most expeditious way to implement this program is to use a current DMH contractor experienced in providing these services.</p>
	<p>➤ Other reason. Please explain:</p>
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div data-bbox="121 1554 649 1789">  Sheffa A. Shima Deputy Chief Executive Officer, CEO </div> <div data-bbox="649 1554 1435 1789"> <p align="center">1/4/10 Date</p> </div> </div>	

COUNTY OF LOS ANGELES

MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4801
Fax: (213) 386-1297

April 27, 2009

TO: Each Supervisor
Robin Kay for
FROM: Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO SOLE SOURCE CONTRACT NEGOTIATIONS WITH EXODUS RECOVERY, INC.**

This memo is to comply with the Chief Administrative Officer, David E. Janssen's September 1999 letter regarding contracting policy requirements for sole source contracts. It is the Los Angeles County Department of Mental Health's (DMH) intent to enter into sole source contract negotiations with Exodus Recovery, Inc. (Exodus Recovery), 9808 Venice Blvd., Suite 700, Culver City, CA 90232, for a new urgent care center (UCC) in close proximity to Los Angeles County + University of Southern California (LAC+USC) Medical Center.

The UCC is intended to relieve the overcrowding in the LAC+USC Psychiatric Emergency Services and the related increasing demand for inpatient psychiatric services; provide 24/7 recovery-oriented outpatient psychiatric services for individuals in crisis who do not require hospitalization if stabilized with intensive outpatient services; promote integrated treatment for mental health clients with co-occurring substance abuse disorders; and ensure integration with community-based resources in accordance with the Department's Mental Health Services Act Community Services and Supports Plan approved by your Board on May 9, 2006. DMH entered into an Agreement with the University of Southern California Care Medical Group, Inc. (USC Care) to provide UCC services at LAC+USC, but USC Care terminated its contract to provide these services effective March 19, 2009.

It is imperative that immediate arrangements be made for a new program to provide UCC services at LAC+USC Medical Center. DMH had planned to enter into a competitive solicitation process with Telecare Corporation and Exodus Recovery, Inc., two qualified providers of mental health services in Los Angeles County, to select a contractor to provide UCC services; however, on March 31, 2009 Telecare Corporation notified DMH of its decision to withdraw from consideration as a potential provider.

DMH proposes to enter into sole source contract amendment negotiations with Exodus Recovery, the only remaining mental health provider in the area that is experienced in

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Each Supervisor
April 27, 2009
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providing UCC services, for the provision of these services near LAC+USC Medical Center.

Exodus Recovery is uniquely qualified to provide UCC services as it has a wide range of experience in providing mental health services in Los Angeles County including acute inpatient services, physician coverage for Institutions for Mental Disease, Assertive Community Treatment, and Full Service Partnerships. In December 2006 Exodus Recovery implemented a UCC in Culver City that is Lanterman-Petris-Short designated and operates 24/7, providing psychiatric evaluation and medication prescription, crisis intervention and stabilization, linkage to community services, assessment for co-occurring substance abuse disorders and access to dedicated emergency shelter beds and transitional residential services located in the surrounding community. This program has been highly successful in serving adolescents, Transition Age Youth, adults and older adults. With this experience, Exodus Recovery is well positioned to begin implementation of this program immediately upon Board approval.

Unless otherwise instructed by a Board office, DMH will proceed with negotiating the sole source contract within two weeks. DMH will work closely with both the Office of the County Counsel and the Chief Executive Office in preparing an amendment with Exodus Recovery to include these services.

MJS:TB:MM:mm

c: Chief Executive Officer
John Schunoff, Ph.D., Interim Director, Department of Health Services